

March 25, 2026

Karén Kharatyan
Director of Technical Services
Nunavut Water Board
Gjoa Haven, NU
X0B 1J0

Re: Licence No: 2AM-MRY2540 Type A – 2026 ASR Work Plan Items

Dear Mr. Kharatyan,

Following the submission of the Joint Statement from Baffinland Iron Mines (Baffinland) and the Qikiqtani Inuit Association (QIA) on March 13, 2026, Baffinland is seeking approval to proceed with the work plan items included in Attachment 1.

Due to the current delays in the 2026 Annual Security Review (ASR) and the short Arctic construction season, prompt approval of those work plan items is required due to environmental, mine planning and regulatory priorities, which are further detailed in Attachment 1.

Thank you for your timely consideration of this request.

A handwritten signature in blue ink, appearing to read "Elisabeth Luther".

Elisabeth Luther,
Senior Manager, Regulatory Affairs

Cc: Lou Kamermans, Senior Director, Sustainable Development
Conor Goddard, QIA
Andrew Keim, CIRNAC

Attachment 1. 2026 Work Plan – Items for Which Sufficient Reclamation Security is in Place

From: Baffinland Iron Mines Corporation
 Title: **2026 Work Plan – Items for Which Sufficient Reclamation Security is in Place**
 Date: March 13, 2026

Baffinland Iron Mines Corporation (Baffinland)'s 2026 Work Plan provided a description of proposed work items to be completed in 2026 as part of the Mary River Project. Selected scope of work items, listed in Table 1 and described further below, are considered urgent, and must be approved to begin as soon as possible due to environmental, mine planning, and regulatory priorities, in addition to the short summer construction period available in Nunavut.

The reclamation security direct costs associated with these items is estimated at \$1,020,128, using the rates proposed in our 2026 Basis of Estimate. While reclamation security for the seven new Work Plan items will be posted at the conclusion of the 2026 ASR, there is sufficient security in place for these works to commence with security that has already been posted for 38 work plan items that are no longer planned to be completed, as shown in Table 3.2 of the 2026 Work Plan (Attachment 1).

Table 1: 2026 Work Plan Scope of Work

ID	Description	Rationale for inclusion
2026-1	Milne Port Helipad Expansion	Critical to support increased 2026 exploration activity and meet continued exploration growth. Expanding Milne Port's landing space shortens flight paths to exploration sites. Reducing travel distance directly lowers greenhouse gas emissions.
2026-2	Realignment of Tote Road at crossing CV-216 (KM80.5)	Continuation of 2025 emergency works, required to mitigate mine safety risks and address road stability issues.
2026-3	Mine Site Water Treatment Pond	Environmental measure to improve water treatment of impacted water collected in totes.
2026-4	KM 105 Water Management Structures	Environmental measure in response to regulatory concerns for the construction of water management infrastructure and final discharge point at KM 105.
2026-7	Construction Material Stockpile Area	Mine operational measure to stockpile NAG construction materials to be used for various mine operations projects and for Steensby construction. Environmental benefits through reduction of travel distances and GHG emissions.
2026-9	Waste Rock Facility Non-Acid Generating (NAG) Cover Test Pad	Environmental measure to support closure research. The WRF cover test pad is intended to provide data that will help refine modelling assumptions and closure research.
2026-10	Construction Material Area Stockpile Expansion	Mine operational measure to expand an area where NAG construction materials would be stockpiled to be used for various mine operations projects and for Steensby construction.

2026-1: Milne Port Helipad Expansion

- **Area:** 5,060 m²
- **Purpose:** Improve helicopter management at Milne Port
- **Reclamation Security Direct Costs:** \$8,660
- **Basis of Estimate Area:** MP-FAC-013
- **Rationale for 2026 construction:** Critical to support increased 2026 exploration activity and meet continued exploration growth. Expanding Milne Port's landing space shortens flight paths to exploration sites. Reducing travel distance directly lowers greenhouse gas emissions.
- **Timeline:** May-June 2026



Figure 1. Milne Port Helipad Expansion

2026-2: Realignment of Tote Road at crossing CV-216 (KM80.5)

- **Area:** 13,525 m²
- **Purpose:** Road bypass and replacement of culverts for road stability and fish passage
- **Reclamation Security Direct Costs:** \$24,098
- **Basis of Estimate Area:** TR-RD-028
- **Rationale for 2026 construction:** Continuation of 2025 emergency works, required to mitigate mine safety risks and address road stability issues.
- **Timeline:** Construction of the CV-216 bypass has started and will be completed by June 2026.



Figure 2. Tote Road Realignment at crossing CV-216

2026-3: Mine Site Water Treatment Pond

- **Area:** 4,000 m² (100 m x 40 m)
- **Purpose:** Lined pond for use in treating impacted water collected in totes (ex. from vehicle washbays)
- **Reclamation Security Direct Costs:** \$23,562
- **Basis of Estimate Area:** MS-WM-020
- **Rationale for 2026 construction:** Environmental measure to improve water treatment of impacted water collected in totes.
- **Timeline:** July 2026



Figure 3. Mine Site Water Treatment Pond

2026-4: KM 105 Water Management Structures

- **Area:** 72,458 m²
- **Purpose:** Water management and final discharge point at KM 105
- **Reclamation Security Direct Costs:** \$125,413
- **Basis of Estimate Areas:** MS-WM-017, MS-WM-018, MS-WM-019
- **Rationale for 2026 construction:** Environmental measure in response to regulatory concerns for the construction of water management infrastructure and final discharge point at KM 105.
- **Timeline:** July 2026



Figure 4. KM 105 Water Management Structures

2026-7: Construction Material Stockpile Area

- **Area:** 226,994 m²
- **Purpose:** Area for stockpiling material for construction
- **Reclamation Security Direct Costs:** \$785,762
- **Basis of Estimate Area:** MS-SP-003
- **Rationale for 2026 construction:** Mine operational measure to stockpile NAG construction materials to be used for various mine operations projects and eventually for Steensby construction.
- **Timeline:** May 2026

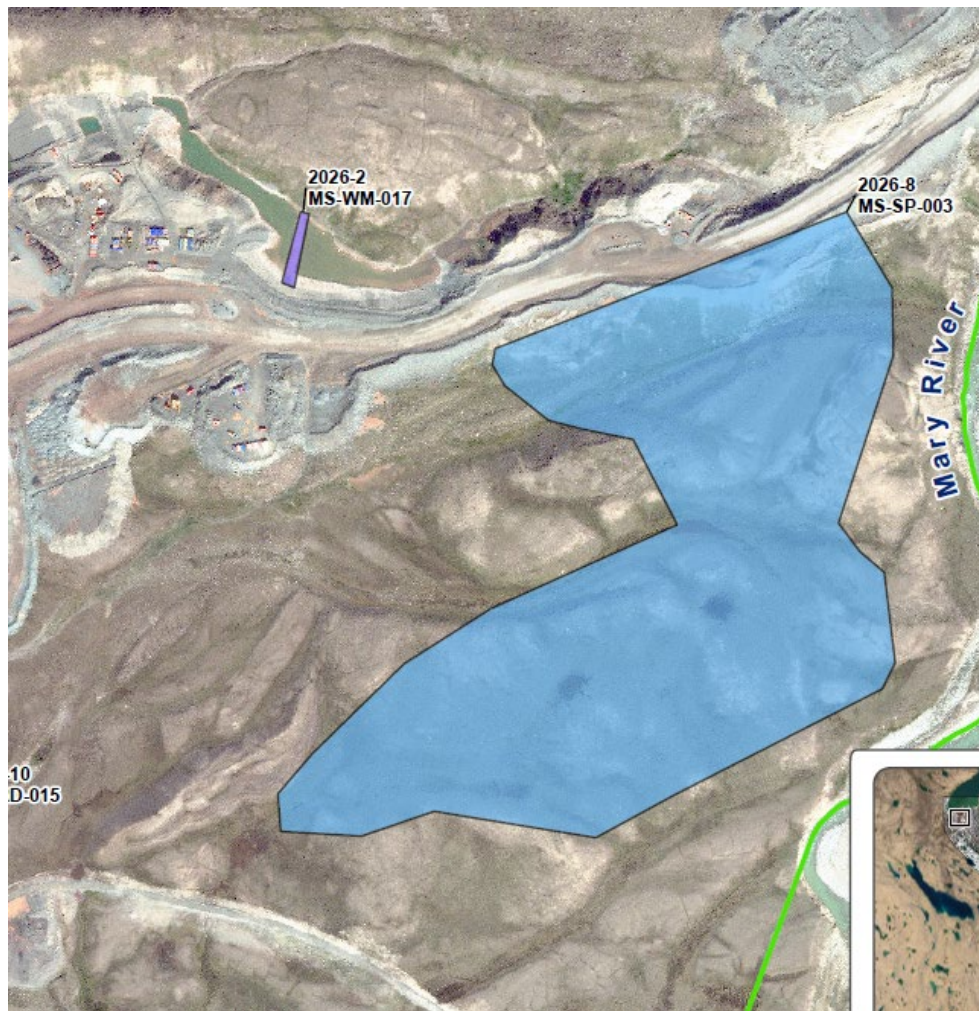


Figure 5. Construction Material Stockpile Area

2026-9: Waste Rock Facility Non-Acid Generating (NAG) Cover Test Pad

- **Area:** 17,690 m²
- **Purpose:** Test pad for reclamation research on WRF cover
- **Reclamation Security Direct Costs:** \$30,104
- **Basis of Estimate Area:** MS-SP-002
- **Rationale for 2026 construction:** Environmental measure to support closure research. The WRF cover test pad is intended to provide data that will help refine modelling assumptions and closure research.
- **Timeline:** November 2026

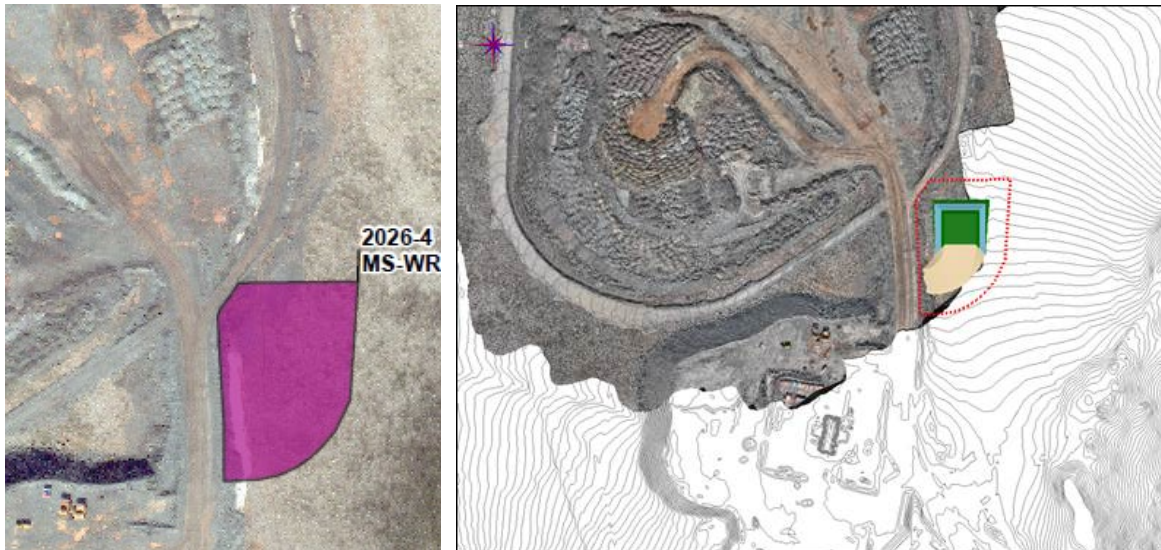


Figure 6. Waste Rock Facility NAG Cover Test Pad

2026-10: Construction Material Area Stockpile Expansion

- **Area:** 13,014 m²
- **Purpose:** Expansion of already constructed construction material stockpile
- **Reclamation Security Direct Costs:** \$22,529
- **Basis of Estimate Area:** MS-LAY-023, MS-RD-015
- **Rationale for 2026 construction:** Mine operational measure to expand an area where NAG construction materials would be stockpiled to be used for various mine operations projects and for Steensby construction.
- **Timeline:** October 2026

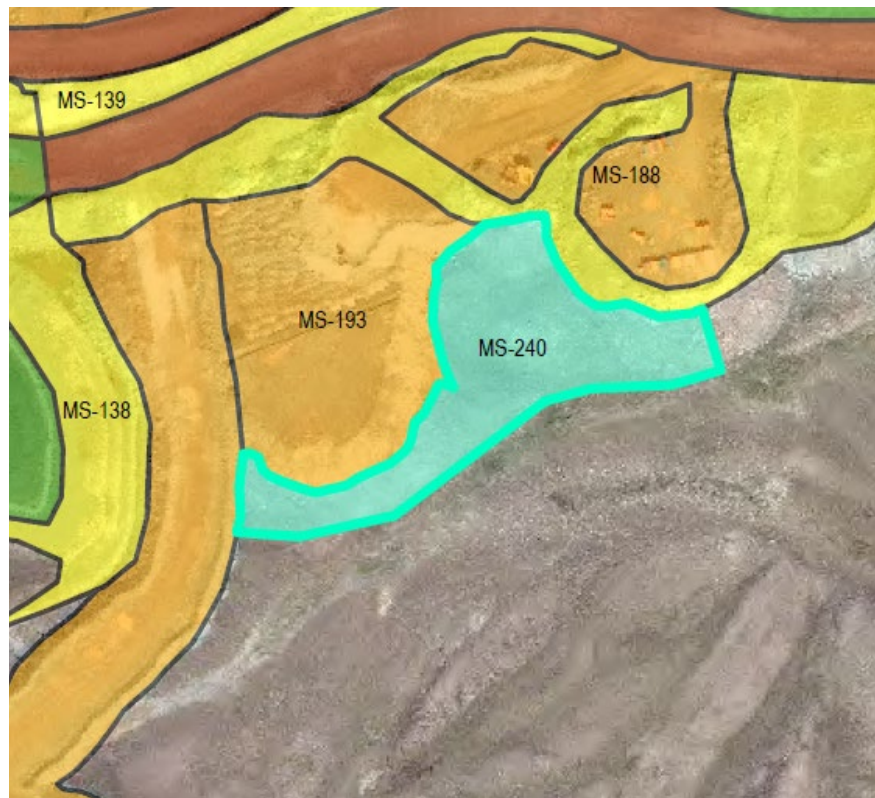


Figure 7. Construction Material Area Stockpile Expansion

Attachment 1.
Table 3-2 of the 2026 Work Plan

Table 3-1: Scope of Work Previously Approved and Security Posted - Removed from the Current Scope of the Project

Item No.	Property Section	Land Use Area	Approximate Location	Description	Description of Effect on Feature(s)	Anticipated Completion Year	Required Permit Applications	Other Information
Scope of Work Previously Approved and Security Posted - Removed from the Current Scope of the Project								
2024-1	Mine Site	Impact Area	N7914067 E559301	Fencing at Mary River Aerodrome (788m length)	No effect, will occur on developed laydown within PDA	N/A	Security	Layout drawings
2024-2	Mine Site	Impact Area	N7914196 E560092	QMR2 Quarry Sedimentation Pond (5,300 m2)	Lined area on developed laydown within the PDA	N/A	Security IFC Submittal	IFCs
2024-3	Mine Site	Impact Area	WRF - N7916397 E563475	Leveling and grading within footprint of future Waste Rock Facility expansion to support geotechnical investigation work	Leveling and grading within the PDA	N/A	Security IFC Submittal	IFCs
2024-4	Mine Site	Impact Area	N7912927 E561097	Additional snow stockpiling area (25,000 m2)	Leveling and grading within the PDA	N/A	Security	Layout drawings
2024-5	Mine Site	Impact Area	N7912823 E562064	Development of a laydown area at the Mine Site for temporary storage of equipment and materials (13,552 m2)	Leveling and grading within the PDA	N/A	Security	Layout drawings
2023-1	Mine Site	Impact Area	(A) N7912740 E562483 (B) N7912825 E562090	Water treatment plant for km 105 sedimentation pond	No effect, will occur on developed laydown within PDA	N/A	Security	IFCs
2023-2	Mine Site	Impact Area	N7913149 E563603	Expansion of KM 106 stockpile pad to increase road width to accommodate water truck loading area (2,000 m ²)	Leveling and grading within PDA	N/A	Security	Layout drawings
2023-3	Mine Site	Impact Area	N7914362 E558333	Lined containment berm and 15,000 L Jet A Tank at the weatherhaven.	No effect, will occur on developed laydown within PDA	N/A	Security	IFCs
2023-4	Tote Road	Impact Area	Various	Replacement of culverts at fish-bearing streams along the Milne Inlet Tote Road to designs exceeding those in the 2013 ERP design.	Leveling and grading within PDA	N/A	Security Fisheries Act Order, IFC submittal	IFCs
2022-1	Mine Site	Impact Area	(A) N7912718 E560727 (B) N7912733 E560724	Construction of Landfarm Cell 4 (4,611 m ²) and expansion of Cell 3 (1,288 m ²). 2024 WORK PLAN UPDATE: Landfarm Cell 4 will be removed from the planned scope of work.	Leveling and grading within PDA	N/A	Security	None
2022-2	Mine Site	Impact Area	N7912959 E5630983	Ore Stockpiling area at KM 105.5 (114,847 m2)	Leveling and grading within PDA	N/A	Security IFC Submittal	None
2022-4	Mine Site	Impact Area	N7913097 E561423	Mobile equipment laydown and tire facility (14,108 m ²).	Leveling and grading within PDA	N/A	Security	Layout drawings
2022-10	Mine Site	Impact Area	N7914460 E558050	15,000 L Bulk diesel storage at Weatherhaven to support drilling operations	No effect, will be placed on developed lined containment facility within PDA	N/A	N/A	N/A
2022-11	Mine Site	Impact Area	N7915411 E563242	Installation of Power Distribution cabling from the new KM110 building to the Mine water treatment facility (500m)	No effect, will be placed on developed laydown within PDA	N/A	Security	None
2022-12	Mine Site	Impact Area	N7913182 E561074	Construction of new Sedimentation Pond SDLT-1 - 20,678 m ² (lined), 58,324 m ² (unlined)	Leveling and grading within PDA	N/A	Security, IFC submittal	IFCs
2022-13	Mine Site	Impact Area	N7914459 E563934	Communication tower KM 108	No effect, will occur on developed laydown within PDA	N/A	Security	Layout drawings
2022-15	Mine Site	Impact Area	N7913226 E561516	New building and expansion of Mary River HD Maintenance Shop (878 m ²)	Leveling and grading within PDA	N/A	Security	None
2022-19	Milne Port	Impact Area	N7976055 E503688	Installation of Power Distribution cabling and distribution equipment for a new service from the Port Power house area to CV-001 on the shiploader. (Approximate Length: 855 m)	No effect, will be placed on developed laydown within PDA	N/A	Security	None

Item No.	Property Section	Land Use Area	Approximate Location	Description	Description of Effect on Feature(s)	Anticipated Completion Year	Required Permit Applications	Other Information
2021-1	Mine Site	Impact Area	(A) N7913243 E561233 (B) N7913358 E561547	Installation of power distribution cabling at the Mine Site facilities, including; a) Mary River Powerhouse to Dyno Nobel explosives facility (500 m) b) Mary River E-House 3 to KM 104 laydown (300 m)	No effect, will be placed on developed laydown within PDA	N/A	Security	None
2021-8	Milne Port	Impact Area	N7975343 E503420	New thaw and wash bay facility for mobile vehicle maintenance. Footprint of 1,250 m ² .	No effect, will be placed on developed laydown within PDA	N/A	Security	Layout Drawings
2021-10	Mine Site	Impact Area	N7912392 E560965	Development of Landfill Cell #4	Fill placed on undisturbed tundra, erection of perimeter fencing.	N/A	None	IFCs
2021-14	Mine Site	Impact Area	N7914430 E562938	Modification to roadways within the ultimate pit limit of Deposit 1, including pit perimeter road and expansion of the cross cut road. All ground disturbance and road construction within the ultimate Deposit 1 pit limits.	Leveling and grading within PDA and the ultimate pit limit	N/A	None	Layout Drawings
2021-15	Mine Site	Impact Area	(A) N7913312 E561706 (B) N7912785 E562266	Expansion of the area east of the Mine Site workshops and crushing area for improved traffic management - KM 104 to MSC (19,424 m ²), KM 104.5 to Crusher (18,308 m ²).	Leveling and grading within PDA	N/A	Security Water Licence Modification	IFCs
2021-17	Mine Site	Impact Area	(A) N7913688 E563838 (B) N7914037 E564237	Construction of two (2) laydown areas for road aggregate storage on the mine haul road 106 Km (4,843 m ²), 107 Km (2,159 m ²)	Leveling and grading within PDA	N/A	Security	Layout Drawings
2021-19	Mine Site	Impact Area	N7915574 E564180	Explosives plant secondary storage location TBD (20,000 m ² - laydown grade and recontour)	Leveling and grading within PDA	N/A	Security NRCan Approval	Layout Drawings
2020-3	Mine Site	Impact Area	A) Mine Site - N7914780 E558420 B) Milne Port - N7975973 E503774	Installation of two (2) new waste incineration units; one (1) at the Mine Site, one (1) at Milne Port	No effect, will be placed on developed laydown within PDA	N/A	Security	IFCs
2020-4	Mine Site	Impact Area	N7916744 E563228	Expansion of the Waste Rock Facility Water Treatment Plant to include an additional geotube settling containment area. Total footprint of new lined area is 3,000 m ³ .	Leveling and grading within PDA	N/A	Security Water Licence Modification	IFCs
2020-7	Mine Site	Impact Area	N7914428 E563192	Implementation of a water management plan for Deposit 1, including berms and ditching to manage surface water.	Leveling and grading within the ultimate limit of Deposit 1	N/A	None	IFCs
2020-8	Mine Site	Impact Area	(A) HD Shop - N7913209 E561467 (B) MR Shop - N7913295 E5612525 (C) Wash Bay - N7913213 E561645 (D) 110 Laydown - N7915177 E563454	Construction of waste containment cells exterior to workshop facilities, for temporary storage of materials prior to longer term storage in the Hazardous Waste Berms and eventual backhaul. HD Shop - 72 m ² MR Shop - 120 m ² Wash Bay - 120 m ² 110 Laydown - 144 m ²	Lined area on developed laydown within the PDA	N/A	Security Water Licence Modification OEN	IFCs
2020-13	Tote Road	Impact area	Various	Continued work to repair and replace culverts along the Tote Road, including those with identified fish passage issues. All culverts will be repaired or replaced to the 2013 Early Revenue Phase design.	Positive environmental effect, focus on improving water management and fish passage	N/A	None - Security in Place	N/A
2019-9	Milne Port	Impact Area	N7975481 E503779 (2,700 m ²)	New contaminated water/snow containment pond adjacent to existing pond at Milne Port	Leveling and grading within PDA	N/A	OEN Water Licence Modification	IFCs
2019-11	Mine Site / Milne Port	Impact Area	(A) Mine Site - N7914539 E558228 (360 m ²) (B) Milne Port - N7976251 E503915 (360 m ²)	Construction of new hazardous waste berm at the Mine site and at Milne Port. Decommissioning of select existing berms to consolidate waste management.	Environmental optimization. Leveling and grading within PDA	N/A	OEN Water Licence Modification	IFCs

Item No.	Property Section	Land Use Area	Approximate Location	Description	Description of Effect on Feature(s)	Anticipated Completion Year	Required Permit Applications	Other Information
2020-14	Tote Road	Impact Area	A) KM 26 - N7959689 E518576 (B) KM 80 - N7922308 E542130	Addition of washroom facilities/refuge stations at KM26 and KM80 IT Towers.	Minor leveling and grading within PDA.	N/A	Security	Layout Drawings
2019-15	Mine Site	Impact Area	N7914500 E558150 (13,800 m2)	Decommissioning and repurposing of Weatherhaven structures for storage and workspace.	No effect, will occur on developed laydown within PDA	N/A	None	Layout drawing(s)
2019-16	Mine Site	Impact Area	N7913450 E560450	Expansion of the 800 person camp pad to the north by approximately 12,000 m ² to accommodate additional support offices and buildings.	Leveling and grading within PDA	N/A	Security	Layout Drawings
2019-17	Mine Site	Impact Area	N7913450 E560450	Addition of offices/trailers/buildings at the 800p Camp. Total footprint is 925 m ² , including approximately 500 m ² for a new fire hall and emergency response building.	No effect, will occur on developed laydown within PDA	N/A	Security	Layout Drawings
2019-18	Mine Site	Impact Area	N7912328 E561111 (9,000 m2)	Construction of a landfarm at the Mine Site landfill facility, with an estimated footprint of 9,000 m ² . Disturbed area included in 2018 Addendum, new lined area requires security allocation.	Leveling and grading within PDA. Area already allocated as disturbed.	N/A	Water Licence Modification No. 10 (Approved) Security in place Notification to NWB	IFCs
2018-27	Milne Port	Impact Area	N7976483 E504119	Relocation of effluent discharge point to barge offload area	Positive effect. Reduced environmental spill risk.	N/A	Water Licence Modification No. 7 (Approved)	IFCs